REMARKS

Applicant has amended the Title to more accurately reflect the claimed subject matter.

The Examiner objected to claim 4 as being dependent upon an alleged rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims. Applicants gratefully acknowledge the Examiner's indication of allowable subject matter and have so rewritten claim 4 in independent form.

The Examiner rejected claims 1-3, 5-10, 12-16 and 17-21 under 35 U.S.C. § 101 because the claimed invention is allegedly directed to non-statutory subject matter.

The Examiner rejected claims 1-3, 5-10, 12-16 and 17-21 under 35 U.S.C. § 112, second paragraph, as being incomplete for allegedly omitting essential steps, such omission amounting to a gap between the steps.

The Examiner rejected claims 1, 5, 8, 12, 15 and 19 under 35 U.S.C. § 102(b) as allegedly being anticipated by Menezes *et al.* ("Handbook of Applied Cryptography").

Applicant respectfully traverses the § 101, § 112 and § 102 rejections with the following arguments.

35 U.S.C. § 101

The Examiner rejected claims 1-3, 5-10, 12-16 and 17-21 under 35 U.S.C. § 101 because the claimed invention is allegedly directed to non-statutory subject matter.

Since claims 1-3, 5-10, 12-16 and 17-21 have been canceled, Applicant respectfully contends that the rejection of claims 1-3, 5-10, 12-16 and 17-21 as allegedly directed to non-statutory subject matter under 35 U.S.C. § 101 is moot.

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35 U.S.C. § 112, Second Paragraph

The Examiner rejected claims 1-3, 5-10, 12-16 and 17-21 under 35 U.S.C. § 112, second paragraph, as being incomplete for allegedly omitting essential steps, such omission amounting to a gap between the steps.

Since claims 1-3, 5-10, 12-16 and 17-21 have been canceled, Applicant respectfully contends that the rejection of claims 1-3, 5-10, 12-16 and 17-21 as allegedly unpatentable under 35 U.S.C. § 112, second paragraph is moot.

35 U.S.C. § 102(b)

The Examiner rejected claims 1, 5, 8, 12, 15 and 19 under 35 U.S.C. § 102(b) as allegedly being anticipated by Menezes *et al.* ("Handbook of Applied Cryptography").

Since claims 1, 5, 8, 12, 15 and have been canceled, Applicants respectfully contend that the rejection of claims 1 1, 5, 8, 12, 15 and as allegedly anticipated by Menezes under 35 U.S.C. § 102(b) is moot.

CONCLUSION

Based on the preceding arguments, Applicants respectfully believe that all pending claims and the entire application meet the acceptance criteria for allowance and therefore request favorable action. If the Examiner believes that anything further would be helpful to place the application in better condition for allowance, Applicants invites the Examiner to contact Applicants' representative at the telephone number listed below. The Director is hereby authorized to charge and/or credit Deposit Account 09-0457.

Date: 03/23/2007

Vach P. Friedman

Registration No. 44,688

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